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HOUSE BILL 52

**48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

INTRODUCED BY

Thomas E. Swisstack

AN ACT

RELATING TO PUBLIC PROPERTY; ALLOWING SCHOOL DISTRICTS TO  
CHOOSE NOT TO INSURE VACANT OR ABANDONED BUILDINGS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 13-5-3 NMSA 1978 (being Laws 1977,  
Chapter 385, Section 13) is amended to read:

"13-5-3. PUBLIC PROPERTY--LOCAL PUBLIC BODIES--  
INSURANCE--RESERVES FOR LOSSES.--

A. Except as otherwise provided in this subsection,  
local public bodies shall purchase insurance for public  
buildings under their control against loss or damage by fire,  
windstorm, hail, smoke, explosion, riot or civil commotion in  
an amount not less than eighty percent of the replacement cost  
or actual cash value of the building. A local school board may  
choose not to insure vacant or abandoned buildings owned by the

underscored material = new  
[bracketed material] = delete

1 school district.

2 B. Local public bodies may purchase insurance,  
3 establish reserves or provide a combination of insurance and  
4 reserves to:

5 (1) repair or replace their buildings if  
6 damaged by any peril other than a peril set forth in Subsection  
7 A of this section;

8 (2) repair or replace any personal property  
9 [~~which~~] that is destroyed or damaged by any peril; or

10 (3) replace any personal property [~~which~~] that  
11 is stolen.

12 C. Any insurance purchased pursuant to Subsections  
13 A and B of this section may be purchased with such deductible  
14 provisions as may be deemed desirable.

15 D. For purposes of this section, "local public  
16 body" means all political subdivisions of the state and their  
17 agencies, instrumentalities and institutions."

18 Section 2. EFFECTIVE DATE.--The effective date of the  
19 provisions of this act is July 1, 2007.